

March 31, 2009 □ **INDIANAPOLIS** – Hundreds-of-thousands of Indianapolis workers will see an increase in their paychecks beginning in April as the Making Work Pay tax cut kicks into effect tomorrow, Congressman André Carson announced today.

The tax cut is part of the landmark American Recovery and Reinvestment Act passed by the Democratic-led House of Representatives in February and signed into law by President Barack Obama.

Workers earning less than \$95,000 a year will see a deduction in federal taxes withheld from their paychecks, increasing their take-home pay and bolstering the economy. More than 95 percent of American workers will benefit from the tax credit, which is refundable for up to \$400 for individuals and \$800 for married couples.

“These tax cuts put money back in the pockets of hard-working men and women during these tough times,” said Congressman Carson. “And more money for these workers means a much-needed jolt for our local economy when these dollars begin to flow from the consumer side.”

Workers do not have to apply for the tax credit. Typically, the increase in take-home pay will be handled by employers who will make adjustments to paycheck withholdings.

The tax credit is retroactive to January 1 of this year; so many workers will see a large initial boost in their checks to account for the first three months of the credit.

The American Recovery and Reinvestment Act, passed by Congress February 13 and signed into law by President Obama, will create 75,000 jobs across Indiana, including 7,400 in the Seventh Congressional District.

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